

EXHIBIT C

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of Unsecured Creditors*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11 Case No.:
	:	
MOTORS LIQUIDATION COMPANY., et al.,	:	09-50026 (REG)
f/k/a General Motors Corp., et al.	:	
	:	
Debtors.	:	(Jointly Administered)
	:	
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**DECLARATION OF ANNA PHILLIPS IN SUPPORT OF THE
MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF MOTORS LIQUIDATION COMPANY TO ENFORCE
(A) THE FINAL DIP ORDER, (B) THE WIND-DOWN ORDER,
AND (C) THE AMENDED DIP FACILITY**

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

ANNA PHILLIPS, under the penalty of perjury, deposes and says that:

1. I am a Senior Managing Director with FTI Consulting, Inc. (together with its wholly owned subsidiaries, agents, independent contractors and employees “**FTI**”), a financial advisory services firm with numerous offices throughout the country. I submit this Declaration on behalf of FTI (the “**Phillips Declaration**”) in support of the motion (the

“Motion”) of the Official Committee of Unsecured Creditors (the **“Committee”**) appointed in the chapter 11 cases of Motors Liquidation Company, *et al.*, (f/k/a General Motors Corp., *et al.*) the debtors and debtors-in-possession herein (collectively, the **“Debtors”**), for the entry of an order enforcing the Final DIP Order, the Wind-Down Order and the DIP Credit Agreement, as such documents are defined in the Motion.¹ Unless otherwise stated in this Declaration, I have personal knowledge of the facts hereinafter set forth.

2. At the request of counsel to the Committee, I prepared the chart (the **“Dilution Chart”**) attached hereto as **Schedule 1**, which demonstrates the dilution of the general unsecured creditors’ total recovery value that would occur should the Committee prevail in the Term Loan Litigation – thereby leaving the Prepetition Term Lenders with an unsecured claim of \$1.5 billion – without the unsecured creditors receiving the benefit of the proceeds of the litigation. This Chart demonstrates why the Committee would not initiate the Term Loan Litigation unless its constituents were to receive the potential proceeds thereof.

3. As reflected on the Dilution Chart, should the unsecured creditors receive the potential proceeds of the Term Loan Litigation, unsecured creditors stand to increase their overall percentage recovery by anywhere from 2.2% to 2.9%. Conversely, initiating the Term Loan Litigation without receiving the potential proceeds would result in as much as a 0.4% reduction to the general unsecured creditors’ recovery.

¹ Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Motion.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing
is true and correct.

Executed: New York, New York
October 4, 2010

/s/ Anna Phillips
Anna Phillips

Schedule 1

Motors Liquidation Company

Unsecured Creditors Recovery Calculations from Term Loan Lenders

In \$ millions	Scenario A. Term Loan Cash Proceeds go to Unsecured Creditors				Scenario B. Treasury Takes Priority Over Term Loan Cash Proceeds			
	Base Claim Amount \$35B		Base Claim Amount \$42B		Base Claim Amount \$35B		Base Claim Amount \$42B	
	Zero Recovery	Full Recovery	Zero Recovery	Full Recovery	Zero Recovery	Full Recovery	Zero Recovery	Full Recovery
Calculation of Cash to Unsecured Creditors from Term Loan Recovery								
Amount recovered from Term Loan Lenders (1)	-	\$1,500	-	\$1,500	-	\$1,500	-	\$1,500
less: Treasury Loan amount due as of 2/28/11 (2)					(\$1,140)	(\$1,140)	(\$1,140)	(\$1,140)
Net Cash Proceeds to Unsecured Creditors from Term Loan Recovery	-	\$1,500	-	\$1,500	-	\$360	-	\$360
Calculation of the Total Claim Amount								
Unsecured Claim Amount (pre Term Loan claim) (3)	\$35,000	\$35,000	\$42,000	\$42,000	\$35,000	\$35,000	\$42,000	\$42,000
Plus: Amount recovered from Term Loan Lenders (4)	-	\$1,500	-	\$1,500	-	\$1,500	-	\$1,500
Total Claim Amount	\$35,000	\$36,500	\$42,000	\$43,500	\$35,000	\$36,500	\$42,000	\$43,500
Calculation of Unsecured Creditors Ownership Stake								
Unsecured Creditors Shares	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Unsecured Creditors Warrants	90,909,090	90,909,090	90,909,090	90,909,090	90,909,090	90,909,090	90,909,090	90,909,090
Unsecured Creditors Adjustment Shares (5)	-	2,142,857	10,000,000	10,000,000	-	2,142,857	10,000,000	10,000,000
Total Unsecured Creditors Shares	140,909,090	143,051,947	150,909,090	150,909,090	140,909,090	143,051,947	150,909,090	150,909,090
Other Shares (Treasury, EDC, Unions)	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000
Total Shares	590,909,090	593,051,947	600,909,090	600,909,090	590,909,090	593,051,947	600,909,090	600,909,090
% Unsecured Creditors Ownership Stake (6)	23.8%	24.1%	25.1%	25.1%	23.8%	24.1%	25.1%	25.1%
Calculation of Total Unsecured Creditors Recovery Value								
Assumed New GM Equity Value (7)	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500
Plus: Cash from Warrants Exercised (8)	\$3,864	\$3,864	\$3,864	\$3,864	\$3,864	\$3,864	\$3,864	\$3,864
Adjusted New GM Equity Value	\$59,364	\$59,364	\$59,364	\$59,364	\$59,364	\$59,364	\$59,364	\$59,364
% Unsecured Creditors Ownership Stake	23.8%	24.1%	25.1%	25.1%	23.8%	24.1%	25.1%	25.1%
Total Value to Unsecured Creditors before cash from Term Loan Lenders	\$14,156	\$14,319	\$14,908	\$14,908	\$14,156	\$14,319	\$14,908	\$14,908
Plus: Net Cash Proceeds to Unsecured Creditors from Term Loan Recovery	-	\$1,500	-	\$1,500	-	\$360	-	\$360
Total Unsecured Creditors Recovery Value	\$14,156	\$15,819	\$14,908	\$16,408	\$14,156	\$14,679	\$14,908	\$15,268
% Unsecured Creditors Recovery	40.4%	43.3%	35.5%	37.7%	40.4%	40.2%	35.5%	35.1%
Change in Unsecured Creditors Recovery (vs. no Term Loan recovery)		2.9%		2.2%		-0.2%		-0.4%

Notes:

- (1) Assumes two hypothetical recovery amounts from Term Loan lenders: (i) zero and (ii) full (\$1,500 million)
(2) Based on \$1,175 million of original DIP loan, plus 5% quarterly PIK interest from 7/10/2009 through 2/28/2011 (assumed Effective Date for these calculations), less \$135 million of repayment to Treasury per the Budget discussed with MLC on August 3, 2010.
(3) Assumes two scenarios for total allowed unsecured claims (before any claims from Term Loan lenders), one at \$35 billion and the other at \$42 billion.
(4) For purposes of this analysis, any amount recovered from Term Loan lenders would be added to the \$35 billion and \$42 billion of claims.
(5) Up to additional 10,000,000 shares issued by New GM if claims exceed \$35 billion up to \$42 billion, per MSPA
(6) Assumes full dilution for Warrants A and B
(7) Assumes \$55.5 billion based on the mid point for equity values based on recent bond pricing, as discussed in the report to Kramer Levin dated August 13, 2010.
(8) Includes cash received by New GM from exercise of Warrants A and B